

Adam Osmond

HB 5343

03/02/2010 Public Hearing at Legislative

Madam Co-Chair, Mr. Co-Chairman and members of the committee

My name is Adam Osmond and I'm recovering compulsive gambler. I'm married and I have three beautiful young girls age 11, 7 and 2. I have been to gambling treatment and I have not gambled for the last seventeen months but before that I gambled for over twenty years. I'm here to testify against Keno and expanding gambling. Most of my life I worked two and I gave all my money to Connecticut Lottery Corporation except my basic expenses. I have lost my business and I'm about to lose my house and my marriage because of gambling. I gambled away everything that I worked hard for the past 20 years including even my kid's college funds and I had no control over this. I have never been to casinos but there are over 2,700 mini casinos in every gas station and corner stores.

There are two reasons why I'm against Keno and expansion of gambling, first we have enough gaming in our small State and second I hear that keno will bring \$20 million in first year and \$60 millions in subsequent years. I'm here to tell you that we will not get nothing close to \$20 million not first year and not the second year, and as you can see the spreadsheet attachment. If you take look at the last three States that introduced keno they got nothing close to what they projected. For example Ohio introduced keno in 2008 and they predicted that keno sales will be a \$200 millions in first year and the actual sales for the first year was only \$99 million and a net gain of only \$29 million. This is state that has population of over 11 million more than three time of our State and if we take their numbers we will only get about \$9 million from Keno in first year and less in the second year because there is no more growth in gambling. Also if you look at the two states before Ohio which is Michigan and Missouri they also got less than what they projected in the first year and even less in the second year. I'm not sure how the \$20 million and \$60 million was projected but I hope we are not using States that had Keno over 10 years such as Massachusetts, because that will be wrong projections since these states reached their current keno numbers by reducing sales in the other games.

When you introduce new games you don't get new dollars all you get is small percentage of sales increase and decline of the other games as people play the new game.

The other reason why I'm against expanding gambling and introducing Keno is we will have more compulsive gamblers and it will effect more families who will gambler all of their money just like I did and this is fact. The more gambling you have the more increase of compulsive gamblers and increase of social cost.

Please do the right thing and let's not destroy more families. I realize it is tough times but there is no ease do the more money left in gambling and as you can see my charts the gaming revenue has been decreasing and we hit the tipping point back in 2002. As matter of fact in 2009 we got less money we got in 1999 when you adjust for inflation and in this period we had expanded gambling. In 1999 we received \$558 million when adjusted that number for inflation it should be \$718 million in 2009 but we only received \$660 million that is less \$58 million less.

I have one other suggestion how you can get the \$20 million. In Fiscal year 2009 there were sales tax collect of \$3.5 billion from sales of \$59 billion if you increase .004% or 1/24 percentage of the sales tax you will get over \$20 million and that breaks down about only one penny for every \$20 dollars spend which no one will in their right mind will complain for a penny and you will not have no social cost.

Thank you for listening to me and please do the right thing.

Thank you for

State	Fiscal Year Keno Started	Month and Year Keno Started	Fiscal Year Period	Total Contribution (Profit) Year Before Keno	Total Contribution (Profit) First Year With Keno	Contribution (Profit) Second Year with Keno	First Year Gain \$**	Second Year Gain \$**	Per Capita Gain First Year	Per Capita Gain Second Year	Population in Year Keno Started for Each State***	Connecticut Population 2009***	Connecticut First Year****	Connecticut Gain Second Year***	Source of the Data
Ohio	2009	Aug-08	July to June	\$ 672,200,000	\$ 702,000,000	N/A	\$ 29,800,000	N/A	\$ 2.59	N/A	11,485,910	3,518,288	\$ 9,128,139	N/A	www.Ohiolottery.com
Michigan	2004	Oct-03	Oct to Sept	\$ 598,270,925	\$ 658,076,140	\$ 680,298,383	\$ 59,805,215	\$ 22,222,243	\$ 5.92	\$ 2.20	10,103,000	3,518,288	\$ 20,826,682	\$ 7,736,716	www.Michigan.gov/lottery
Missouri	2003	May-02	July to June	\$ 160,039,000	\$ 203,466,000	\$ 229,427,183	\$ 43,427,000	\$ 25,961,183	\$ 7.61	\$ 4.55	5,706,000	3,518,288	\$ 26,776,848	\$ 16,007,522	www.MoLottery.com
Maryland	1994*	Jan-93	July to June												www.MDLottery.com
Massachusetts	1994*	Sep-93	July to June												www.MassLottery.com
Oregon	1992*	Sep-91	July to June												www.OregonLottery.gov
West Virginia	1993*	Dec-92	July to June												www.WVLottery.com
Kansas	1993*	Oct-92	July to June												www.KSLottery.com
California	1993*		July to June												www.CALottery.com
New York	1993*		April to March												www.NYLottery.org
Georgia	1996*	Dec-95	July to June												www.GeorgiaLottery.com
Rhode Island	1993*	Sep-92	July to June												www.RIlot.com
Washington	1993*	Nov-92	July to June												www.WALottery.com

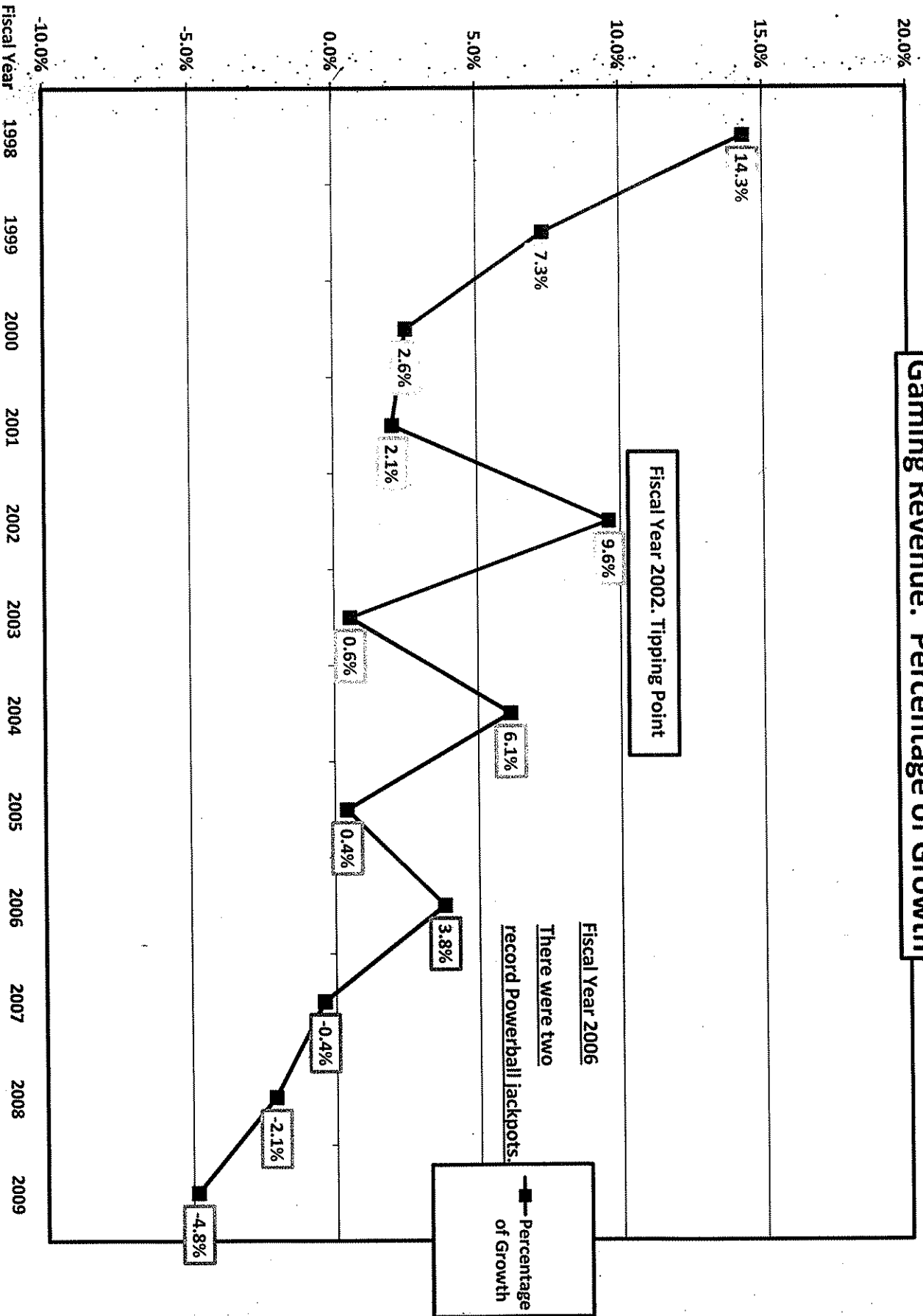
\* Not reliable data since these States started KENO more than 15 years ago, at that time lottery sales was growing in high percentage and many other games were being introduced at this time such as higher value instant tickets and other games.

\*\* This is assuming all gains came from KENO which is not possible since some of the other games are still growing in small percentage.

\*\* By taking the per capita gain for each state and multiply Connecticut's population you get the amount maybe gained from KENO in CT based on the these three other States.

\*\*\* Source of populations www.quickfacts.census.gov

# Gaming Revenue. Percentage of Growth



# Gaming Revenue. Percentage of Growth When Adjusted for Inflation

